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SUBJECT: PRESIDENT ALIYEV "HURT" BY U.S. CRITICISMS, SEEKS

CLARIFICATION

Classified By: Ambassador Anne E. Derse per 1.4 (b,d).

- $\P 1.$ (C) Summary: On May 30, President Aliyev bluntly detailed his personal sense of "hurt" over statements by the Secretary and President that were critical of Azerbaijan's democracy and human rights record. He views the statements as part of a trend -- the UNGA vote, the Presidential statement on media freedom day, and the Secretary's comparison of democratic progress in the Caucasus -- that is creating the perception that Azerbaijan is "under attack" and subjected to "double standards." He said that in light of the purported U.S.-Azerbaijan partnership, Azerbaijan wants to know why these events have taken place, and where they will lead. If these statements are part of a "pre-election plan," Aliyev said "We will go back to 2005, which was not the best period in our bilateral relationship." Given important new energy security initiatives, Aliyev argued that the U.S. and Azerbaijan cannot afford to have political tensions in the relationship, and stated that international reaction to Azerbaijan's October presidential election would have implications for Azerbaijan's foreign policy. End
- 12. (SBU) On May 30, President Aliyev met with visiting EUR DAS David Merkel and the Ambassador, following an energy-focused meeting with visiting SCA A/S Richard Boucher (septel). Aliyev, who had just returned from Finland, was clearly relaxed with DAS Merkel because of their previous relationship, and was accompanied by Foreign Minister Mammadyarov and International Relations Advisor Novruz Mammadov.

REGIONAL COMPARISONS "NOT FAIR"

- 13. (C) Merkel urged President Aliyev to take steps in the run-up to Azerbaijan's October presidential election to strengthen Azerbaijan's democratic institutions, noting that the election was an opportunity to demonstrate regional leadership. Aliyev responded acerbically that Azerbaijan was not competing with its neighbors, "especially when they are considered much more democratic than we are." Aliyev detailed events surrounding recent elections in Georgia and Armenia that he argued were undemocratic yet were not criticized by the international community. Aliyev emphasized that the Armenian Army had killed protesters in the wake of fraudulent elections, yet Armenian President Sargsyan was embraced by the international community. "It's not fair," Aliyev said. "If I did one percent of what Sargsyan did, I would be declared a bloody dictator."
- $\P4$. (C) Affirming his commitment to free and fair elections, Aliyev argued that Azerbaijan is the most democratic country in the South Caucasus, yet "we are the only ones to be

criticized." He said he can understand the reasons that the U.S. is reluctant to publicly criticize Georgia's democratic record but blamed Armenia's special treatment on the influence of the Armenia lobby. Based on widespread, documented fraud in the Armenian election, Sargsyan did not win in the first round of voting and should have had a second round, Aliyev argued, yet the OSCE and the Council of Europe said Armenia's election demonstrated democratic "progress." "We expect a fair evaluation in October," Aliyev continued. "But it is our sense that no matter what we do, we will be criticized. This really hurts us."

15. (C) Aliyev said that the lack of international reaction to "terrible" events in Georgia and Armenia made it difficult to accept the constant stream of criticism from the U.S. Georgian President Saakashvili had closed a TV station yet he was invited to Washington. Referring to the case of opposition journalist Agil Khalil, Aliyev said that in Azerbaijan, in contrast, "a journalist is pushed by unknowns and it becomes a big deal." Aliyev said that U.S. double standards "create a spirit in society I don't like. There is the sense that we are under attack, especially when compared (to neighboring countries) by high-level officials."

A NEGATIVE TREND IN THE RELATIONSHIP?

16. (C) Aliyev detailed three events that he views as a negative trend in the relationship. First, the U.S. "no" vote on Azerbaijan's UNGA resolution regarding Nagorno-Karabakh was the first time in the history of the bilateral relationship that the U.S. had succumbed to Russian

or French pressure within the OSCE Minsk Group. "You shouldn't have voted like that," Aliyev said. "The UNGA resolution was not against the Minsk Group principles and included language supporting the Minsk Group." Second, President Bush's statement on international press freedom day, putting Azerbaijan in the same category as Iran, China and Cuba, and identifying Azerbaijan as a jailer of journalists, was of concern. "Azerbaijan is a strategic partner of the U.S., yet it is in this category?" Aliyev asked. Third, he added, Azerbaijan was very concerned by Secretary Rice's public ranking of Azerbaijan's democratic progress as behind that of Georgia and Armenia, particularly as the statement was made after "the bloody events in Armenia and the attack on the opposition in Georgia."

17. (C) Aliyev said he wants to know why these events have taken place, and where they will lead. "If this is part of a pre-election program, we'll go back to 2005, which was not the best period in our bilateral relationship," Aliyev said. "We need to have some clarification. These are our questions and we want answers."

OCTOBER REACTION WILL BE A TEST

18. (C) Aliyev repeated his intent to hold a free and fair presidential election in October. He noted that he had taken steps in 2005 to address electoral fraud, firing several local officials accused of manipulating election results and ordering the cancellation and re-running of races in ten parliamentary districts with particularly egregious fraud. "We're not perfect," Aliyev said, and if the U.S. had also criticized democratic shortcomings in Ukraine, Georgia and Armenia, "then we would be silent." "We expect a fair approach to elections," Aliyev continued. He argued that the Azerbaijani Government doesn't need to manipulate the electoral process in order to win. "We will have good elections." Aliyev questioned whether the international community would give Azerbaijan a fair assessment, noting that "international statements regarding fraud and voter manipulation will play a negative role in our future foreign policy planning."

- 19. (C) Following up on his earlier discussion of regional energy issues with Merkel and visiting SCA A/S Boucher (septel) and characterizing the Western effort to promote a Southern Corridor for Caspian gas to Europe as "chaotic," Aliyev stressed the need for the U.S. to play a much stronger coordinating role in new trans-Caspian energy initiatives. He said Turkmen President Berdimuhamedov was not interested in the Nabucco pipeline, telling Aliyev during his recent visit to Baku that "I don't need Nabucco. I have Russia, China and Iran but if you need Nabucco, we can discuss it." Aliyev said the EU was incapable of coordinating the many complex pieces of trans-Caspian gas initiatives and urged the U.S. to work with Azerbaijan to develop a "step-by-step" roadmap that could address the pressures and complications posed by Russia and Iran. For example, Aliyev offered, Azerbaijan would be willing to buy Turkmen gas if Berdimuhamedov is unwilling to sell gas directly to Europe. Similarly, the U.S. and its partners must determine who will build the 60-km connector pipeline, and who will purchase Turkmen gas that is delivered through a new East-West corridor. Aliyev added that the U.S. and Azerbaijan must also keep in mind the Shah Deniz consortium partners' significant commercial interests in Russia, noting that the President of Gazprom would soon make his first visit to Azerbaijan.
- 110. (C) Given the complexities of these energy security issues, Aliyev noted that the U.S. and Azerbaijan "should work shoulder-to-shoulder. We shouldn't have disagreements." He added that new gas initiatives are a "big headache" for Azerbaijan. New gas deals expose Azerbaijan to Russian pressure, and put Azerbaijan at cross-purposes with its staunch ally Turkey, which seeks to increase its own gas purchases from Azerbaijan. Azerbaijan has subsidized gas sales to Georgia, to promote its independence from Russia, but has gone without compensation. Finally, Azerbaijan also faces pressures from Iran, which seeks to promote its own energy agenda. "We're in the middle of this," Aliyev said, "and at the same time we are under attack from the U.S. We have to think about this."

NAGORNO-KARABAKH

111. (C) Noting that he would meet Armenian President Sargsyan for the first time on the margins of the June 6-8 informal CIS summit, Aliyev said it will be difficult for Sargsyan to take "responsible steps" in the Nagorno-Karabakh peace process. Aliyev said Sargsyan is weak domestically and faces significant domestic opposition which leads Aliyev to believe Sargsyan will be unable to make decisions based on the Madrid Basic Principles document. However, Armenia will have to liberate Azerbaijan's territories "sooner or later." "Every month and year brings us closer. They won't be able to keep them for many more years," Aliyev said. The key question from Aliyev's perspective is whether Sargsyan will respect the agreement reached by Kocharian that the "so-called referendum will never happen." "It is important to see whether Sargsyan supports this," Aliyev repeated. Overall, Aliyev added, the Madrid documents are "not bad, the Kosovo precedent is the only danger." In light of the Kosovo precedent, peacekeeping will be especially important for a future NK solution.

112. (C) Returning to the Co-Chairs' position on Azerbaijan's UNGA resolution, Aliyev said he is concerned that the Russian position is increasingly prevailing within the Minsk Group Co-Chairs' deliberations. "We know the U.S. wasn't lobbying against us. France and Russia lobbied against us. Then the U.S. joined the Russian initiative. Other elements in the Minsk Group show that the Russian position is becoming more decisive. If that happens, we know the outcome."

(C) In the months following the Co-Chairs' "no" vote on Azerbaijan's UNGA resolution, we have heard with increasing frequency and frankness that Aliyev and his closest advisors are concerned that U.S. actions - including completely unrelated and well-founded public criticisms of Azerbaijan's human rights record - are evidence of a new, calculated USG effort to pressure Azerbaijan, leading to a downward trend in the bilateral relationship. Aliyev's message in this meeting is by far the most blunt and personal that we have heard. In the personality-driven Caucasus, recent statements by senior U.S. officials critical of Azerbaijan's human rights record are playing to Aliyev's core insecurities, reminding him of the turbulent events surrounding his own election in 2003 and his conviction that the U.S. sought to promote a "color revolution" in 2005. With another presidential election looming, he seems ready to be persuaded by his Soviet-era coterie that the U.S. is planning to use the election to tarnish his credibility or worse. Personal engagement by senior U.S. officials is needed to help reassure Aliyev and ensure continued progress on our key security, energy and reform interests.

 $\underline{\mathbb{1}}14$. (U) DAS Merkel cleared this message. LU